

001

Form 3160-3
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL		5. Lease Serial No. UTU-16551
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone				6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator SHENANDOAH ENERGY INC.		Contact: JOHN BUSCH E-Mail: jbusch@shenandoahenergy.com		7. If Unit or CA Agreement, Name and No. LEOTA UNIT
3a. Address 11002 E. 17500 S. VERNAL, UT 84078		3b. Phone No. (include area code) Ph: 435.781.4341 Fx: 435.781.4323		8. Lease Name and Well No. STIRRUP UNIT 8W-34-7-21
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SENE 1739FNL 537FEL 4447450 Y 40.17003 At proposed prod. zone 624889X -109.53333		9. API Well No. 43-047-34707		10. Field and Pool, or Exploratory LEOTA
14. Distance in miles and direction from nearest town or post office* 16 +/- MILES FROM REDWASH, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 34 T7S R21E Mer SLB		12. County or Parish UINTAH
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 537' +/-		16. No. of Acres in Lease 2320.00		13. State UT
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +/-		19. Proposed Depth 8904 MD 8904 TVD		17. Spacing Unit dedicated to this well 40.00
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5103 KB		22. Approximate date work will start		20. BLM/BIA Bond No. on file U-0969
		23. Estimated duration 10 DAYS		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>John Busch</i>	Name (Printed/Typed) JOHN BUSCH	Date 09/09/2002
RECEIVED		
Title OPERATIONS		
Approved by (Signature)	Name (Printed/Typed) SEP 11 2002	Date
Title	Office DIVISION OF OIL, GAS AND MINING	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

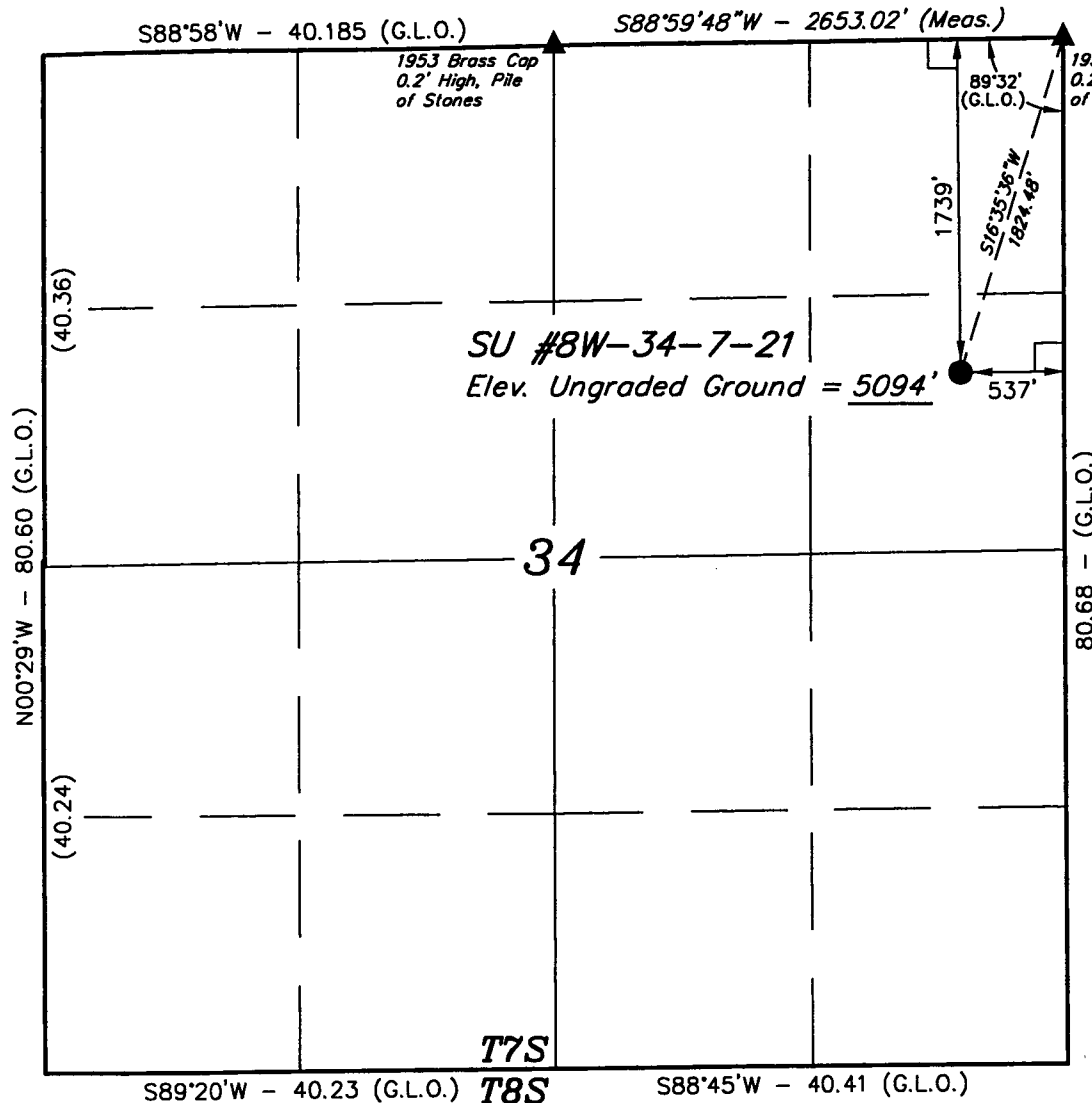
Electronic Submission #13324 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC., sent to *John Busch*Federal Approval of this
Action is NecessaryAPPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: *9-17-02*
BY: *[Signature]*

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **

T7S, R21E, S.L.B.&M.

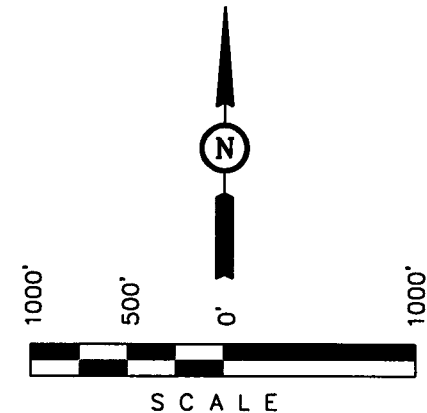
SHENANDOAH ENERGY, INC.

Well location, SU #8W-34-7-21, located as shown in the SE 1/4 NE 1/4 of Section 34, T7S, R21E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

[Signature]
 REGISTERED LAND SURVEYOR
 No. 161318
 KAY
 STATE OF UTAH

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)
 LATITUDE = 40°10'11.61" (40.169892)
 LONGITUDE = 109°32'01.93" (109.533869)

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 07-16-02	DATE DRAWN: 07-18-02
PARTY J.F. A.F. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE SHENANDOAH ENERGY, INC.	

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

<date>

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2002 Plan of Development Leota Unit, Uintah County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following well is planned for calendar year 2002 within the Leota Unit, Uintah County, Utah.

Api Number	Well	Location
------------	------	----------

(Proposed PZ Wasatch)

43-047-34707 Stirrup U 8W-34-7-21 Sec. 34 T. 7S R. 21E 1739 FNL 537 FEL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - Leota Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:<date>-<date>-<date>

SHENANDOAH ENERGY INC.
SU 8W-34-7-21

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

Formation	Depth
Uinta	Surface
Green River	3314
Mahogany Ledge	4214
Wasatch	6914
TD (Wasatch)	8904

2. Anticipated Depths of Oil, Gas, Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Oil/Gas	Wasatch	8904

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 3561.6 psi.

**SHENANDOAH ENERGY INC.
STIRRUP UNIT 8W-34-7-21
1739' FNL, 537' FEL
SENE, SECTION 34, T7S, R21E
UINTAH COUNTY, UTAH
LEASE # UTU- 16551**

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the SU 8W-34-7-21 on August 19, 2002 at approximately 9:30 AM. Weather conditions were sunny with a light breeze at the time of the onsite. In attendance at the inspection were the following individuals:

Byron Tolman	Bureau of Land Management
Dixie Sadlier	Bureau of Land Management
Stephanie Howard	Bureau of Land Management
Jan Nelson	Shenandoah Energy Inc.
Raleen Searle	Shenandoah Energy Inc.

1. Existing Roads:

The proposed well site is approximately 14 miles from Redwash, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing access roads.

2. Planned Access Roads:

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map D for the location of the proposed pipeline.

5. Location and Type of Water Supply:

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

6. Source of Construction Materials:

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

7. **Methods of Handling Waste Materials:**

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

8. **Ancillary Facilities:**

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A felt and plastic pit liner will be required.

10. **Plans for Reclamation of the Surface:**

Please see Shenandoah energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Township 07 and 08 South, Ranges 21 to 24 East.

Seed mix #1:

Fourwing and saltbush	A triplex canescens	4lbs/acre
Shadescale	A triplex confretifolia	4lbs/acre
Indian ricegrass	Orysopsis hymenoides	4lbs/acre

11. **Surface Ownership:**

The well pad and access road are located on lands owned by:

Bureau of Land Management
170 South 500 East
Vernal, Ut. 84078
(435) 871-4400

12. **Other Information**

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

Please move topsoil between corners 2 and 8. Construction of location will not commence during wet soils.

Lessee's or Operator's Representative:

John Busch
Red Wash Operations Rep.
Shenandoah Energy Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4341


Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



John Busch
Red Wash Operations Representative

09-Sep-02
Date

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 8904' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 and 24 East.

See Onshore Order No. 1 attached

Please be advised that Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for the 43 CFR 3104.2.

RECEIVED

SEP 11 2002

**DIVISION OF
OIL, GAS AND MINING**

SHENANDOAH ENERGY, INC.

SU #8W-34-7-21

LOCATED IN UINTAH COUNTY, UTAH
SECTION 34, T7S, R21E, S.L.B.&M.

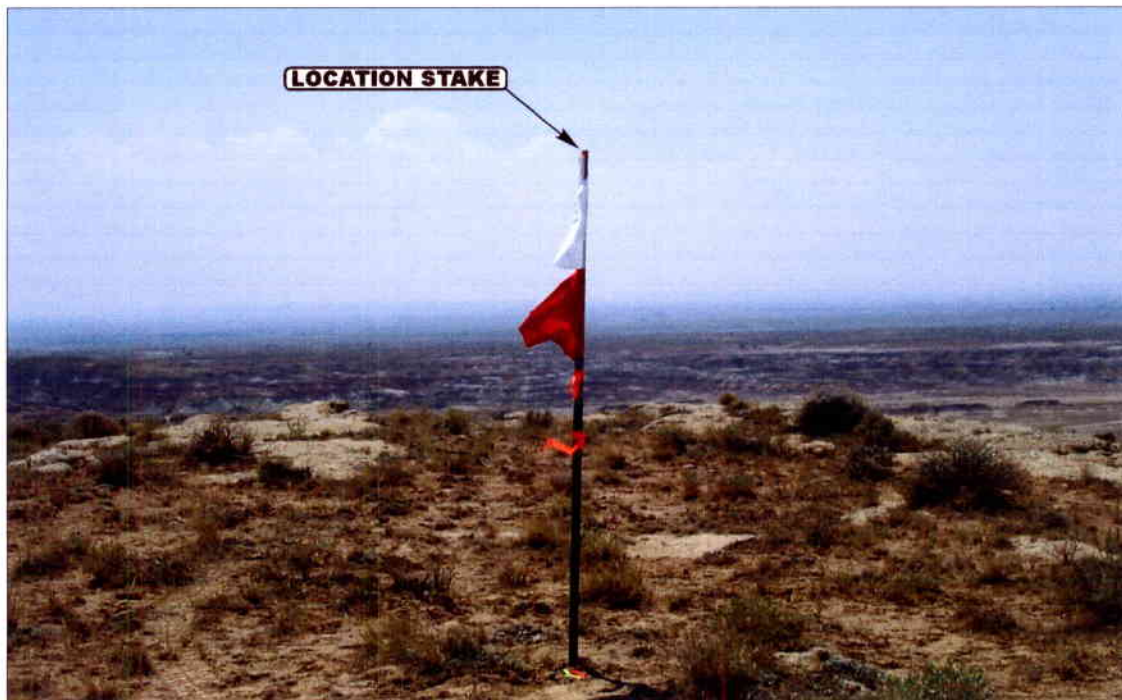


PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

7 **22** **02**
MONTH DAY YEAR

PHOTO

TAKEN BY: J.E.

DRAWN BY: P.M.

REVISED: 00-00-00

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

SHENANDOAH ENERGY, INC.

TYPICAL CROSS SECTIONS FOR

SU #8W-34-7-21

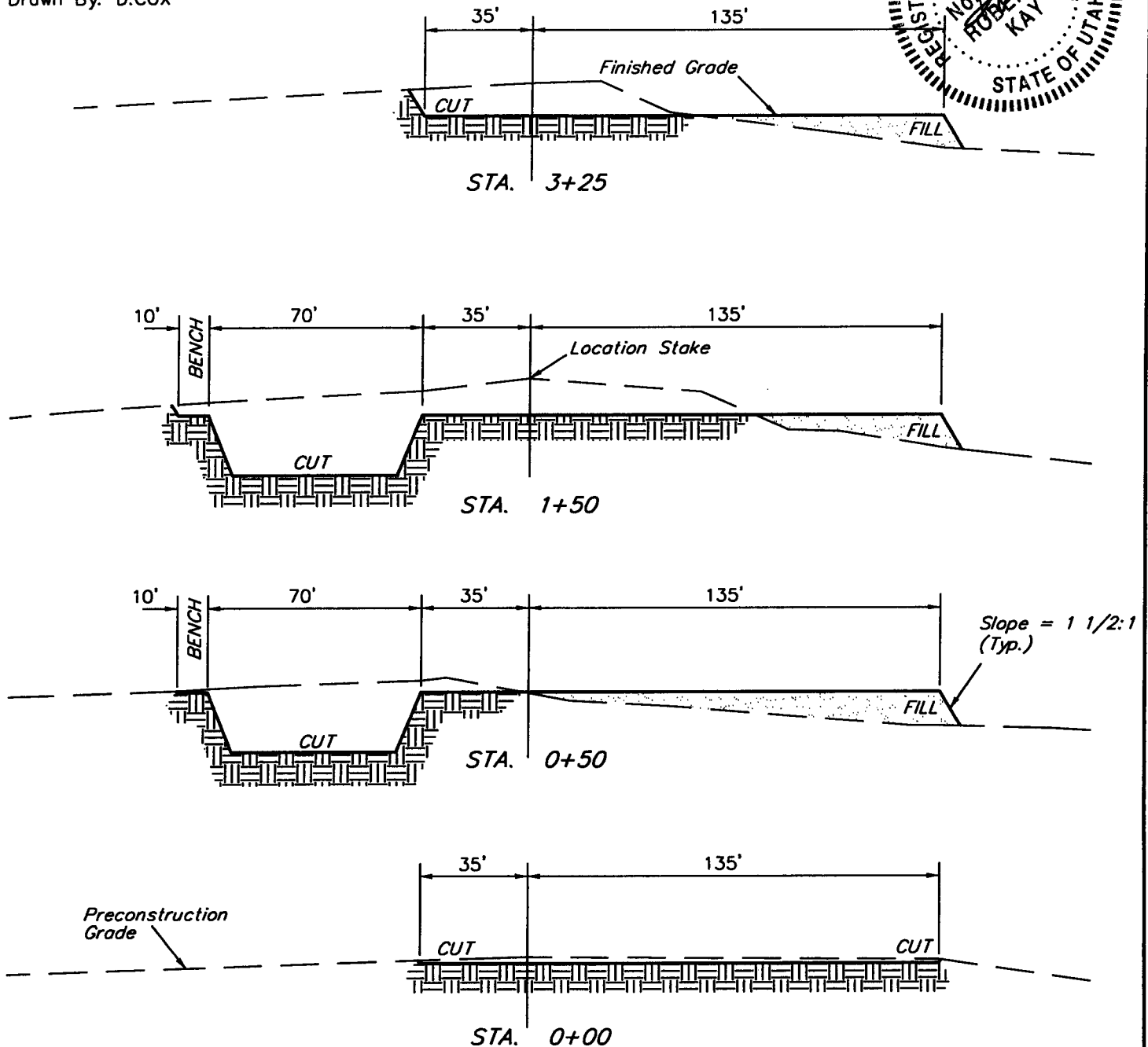
SECTION 34, T7S, R21E, S.L.B.&M.

1739' FNL 537' FEL

FIGURE #2

1" = 20'
X-Section
Scale
1" = 50'

DATE: 07-18-02
Drawn By: D.COX

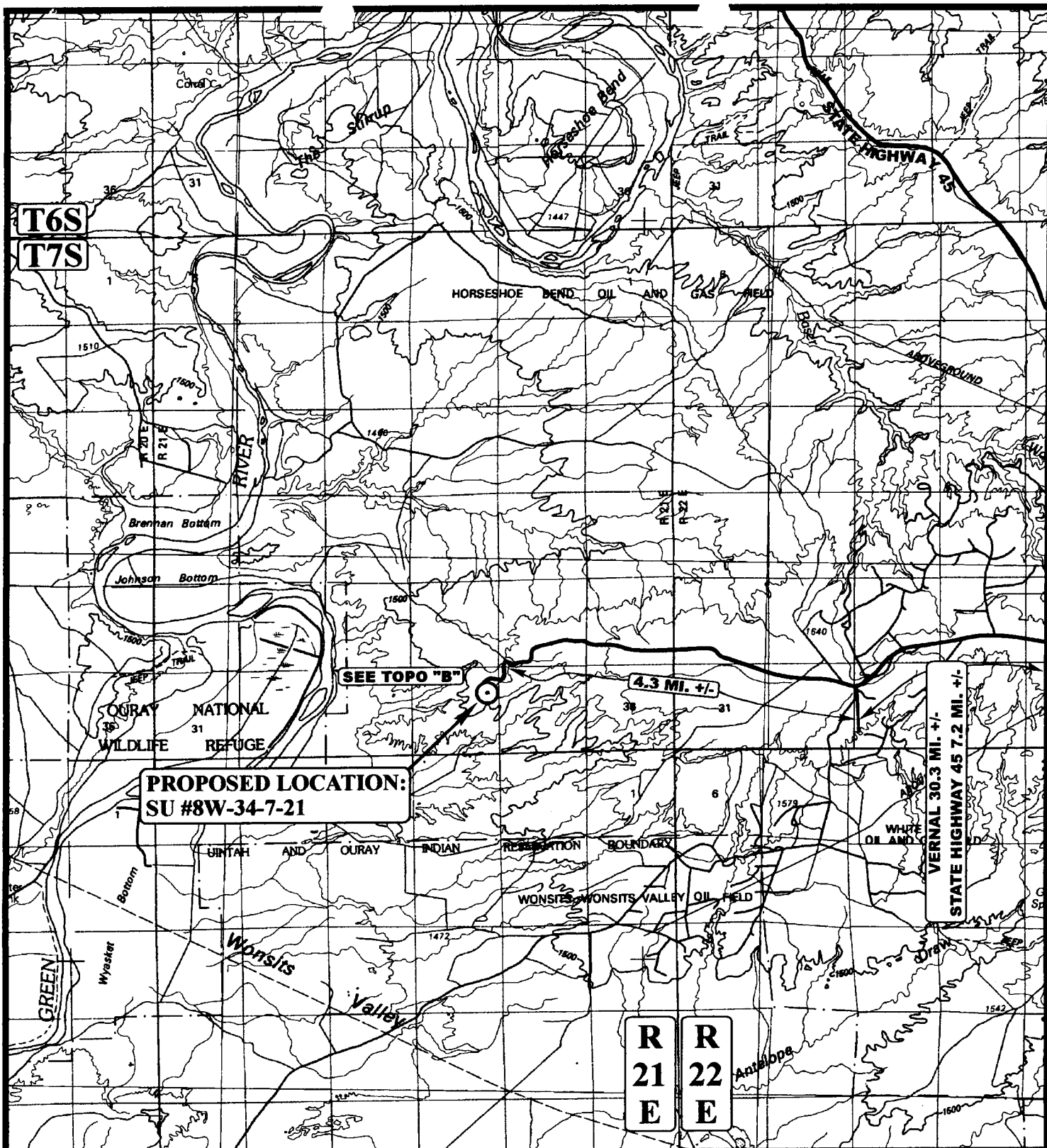


APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,260 Cu. Yds.
Remaining Location	= 5,320 Cu. Yds.
TOTAL CUT	= 6,580 CU.YDS.
FILL	= 3,940 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,430 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,430 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



SHENANDOAH ENERGY, INC.

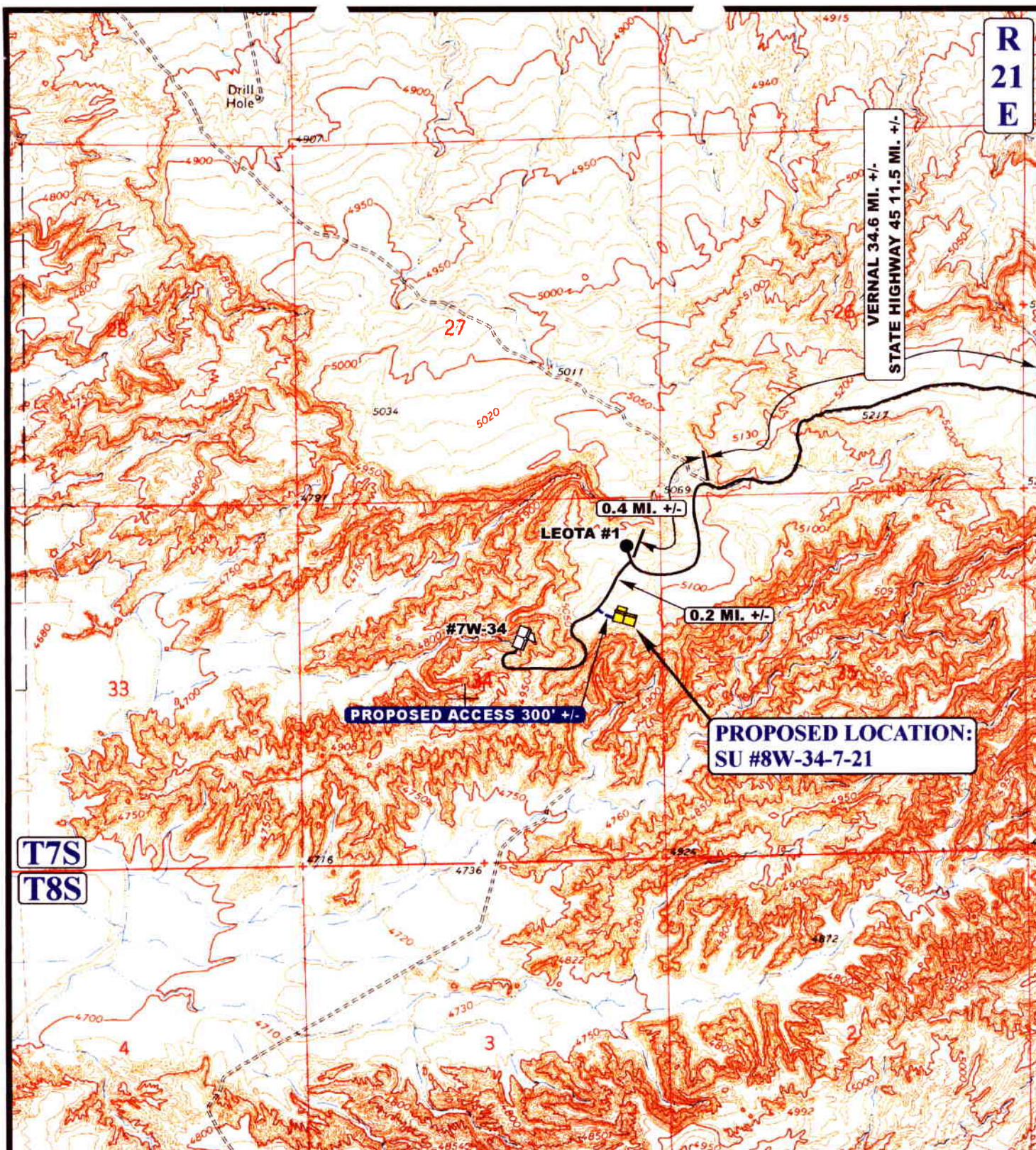
SU #8W-34-7-21
 SECTION 34, T7S, R21E, S.L.B.&M.
 1739' FNL 537' FEL

TOPOGRAPHIC
MAP

7 22 02
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00





LEGEND:

— EXISTING ROAD
 - - - PROPOSED ACCESS ROAD

SHENANDOAH ENERGY, INC.

SU #8W-34-7-21

SECTION 34, T7S, R21E, S.L.B.&M.

1739' FNL 537' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



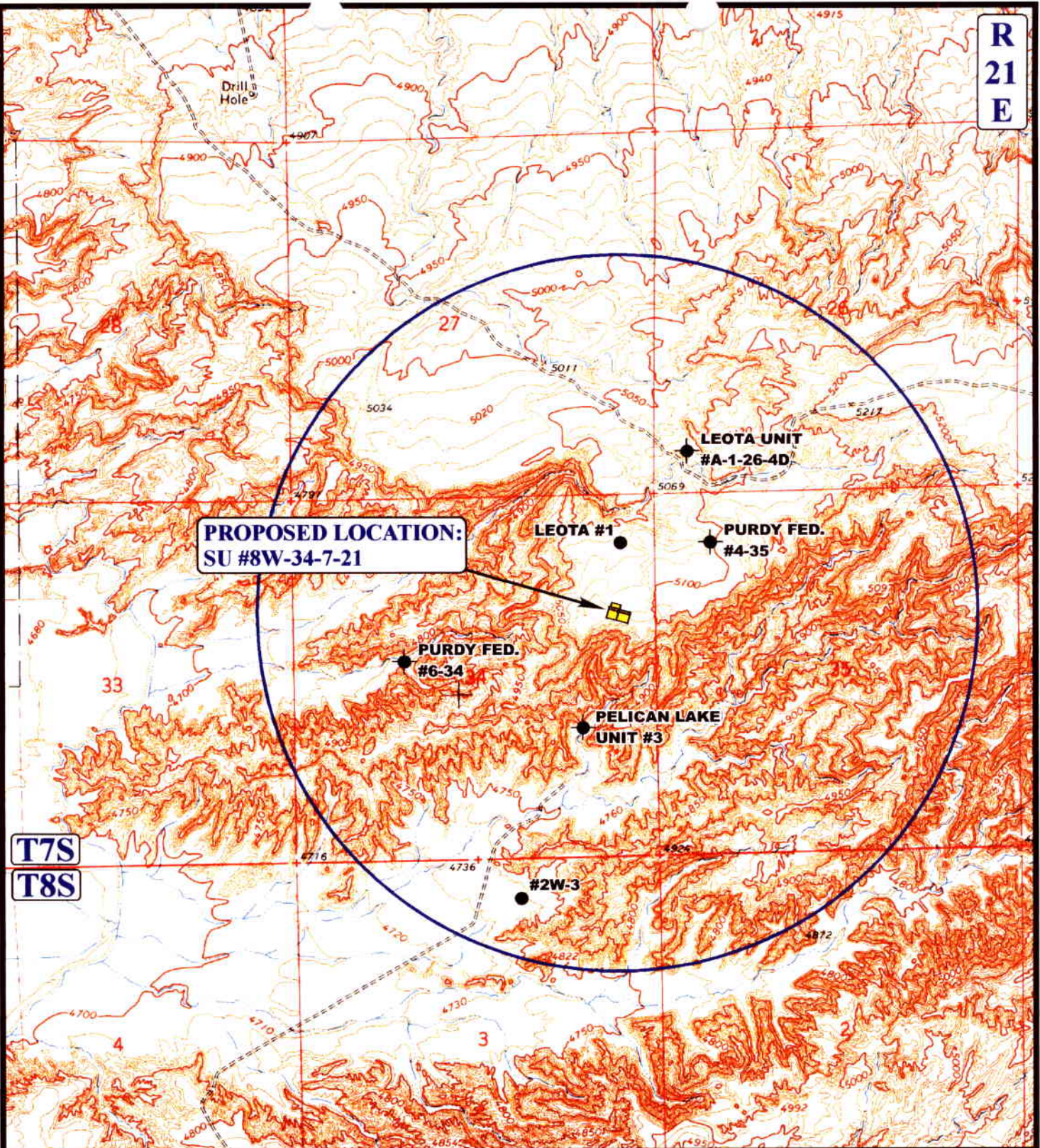
TOPOGRAPHIC
 MAP

7 22 02
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



R
21
E



T7S
T8S

LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |



SHENANDOAH ENERGY, INC.

SU #8W-34-7-21

SECTION 34, T7S, R21E, S.L.B.&M.

1739' FNL 537' FEL



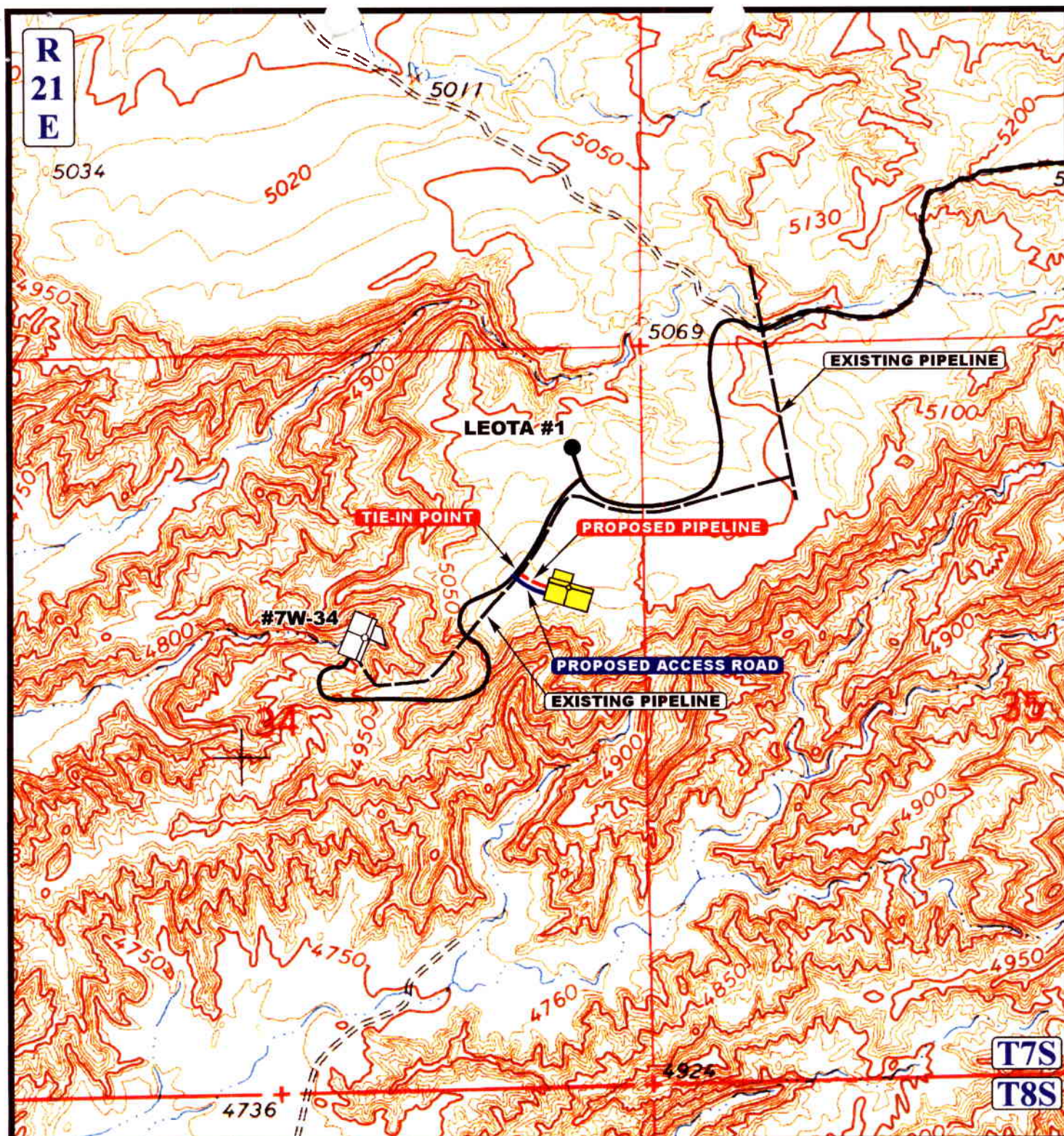
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

7 22 02
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 200' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - - - EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



SHENANDOAH ENERGY, INC.

SU #8W-34-7-21

SECTION 34, T7S, R21E, S.L.B.&M.

1739' FNL 537' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

7 22 02
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

D
TOPO

003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 09/11/2002

API NO. ASSIGNED: 43-047-34707

WELL NAME: STIRRUP U 8W-34-7-21

OPERATOR: SHENANDOAH ENERGY INC (N4235)

CONTACT: JOHN BUSCH

PHONE NUMBER: 435-781-4341

PROPOSED LOCATION:

SENE 34 070S 210E

SURFACE: 1739 FNL 0537 FEL

BOTTOM: 1739 FNL 0537 FEL

UINTAH

LEOTA (706)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-16551

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.17003

LONGITUDE: 109.53333

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. U-0969)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit LEOTA

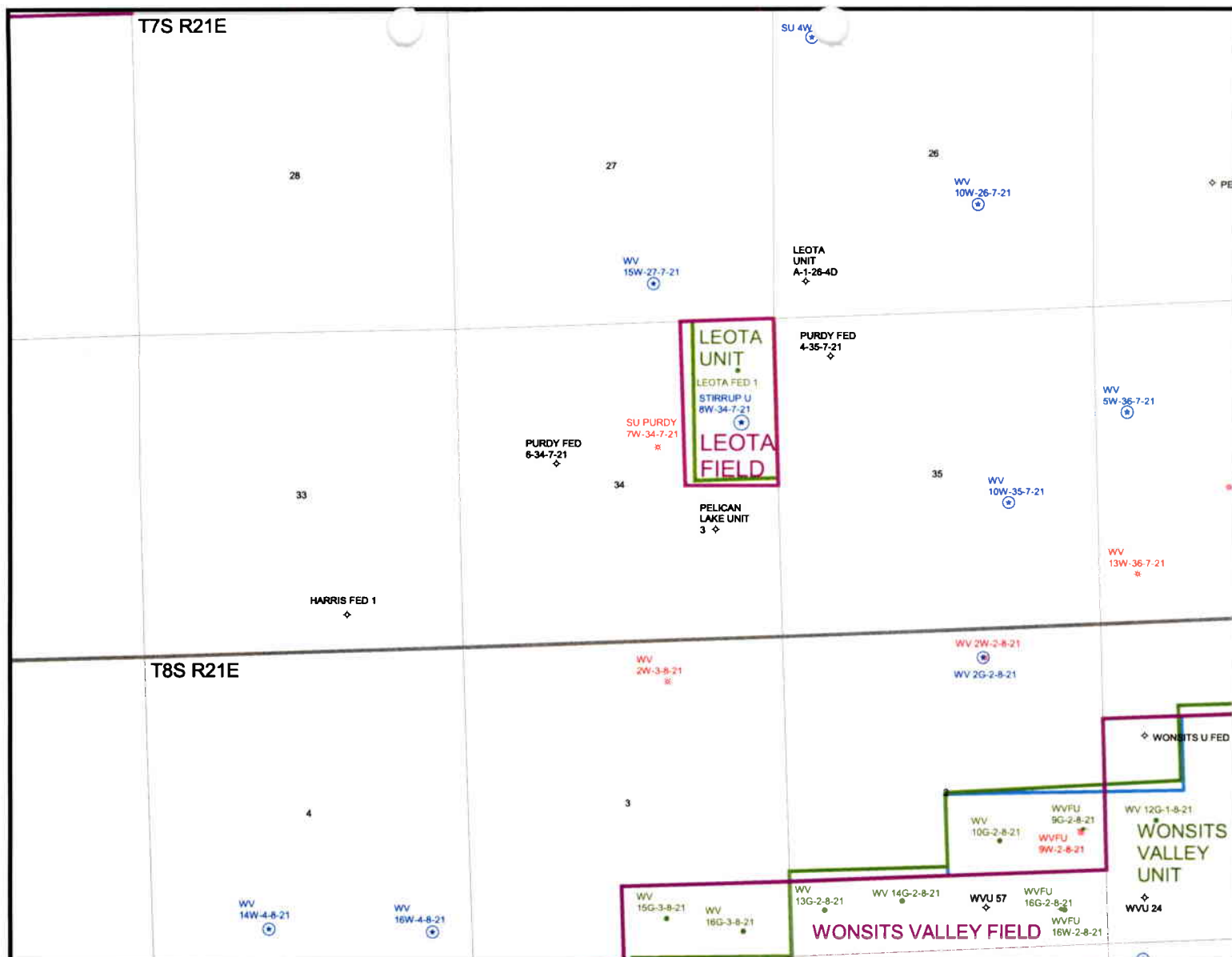
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
R649-3-3. Exception
Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
R649-3-11. Directional Drill

COMMENTS:

See Separate file

STIPULATIONS:

1- Federal Approval
2- Spacing Stip

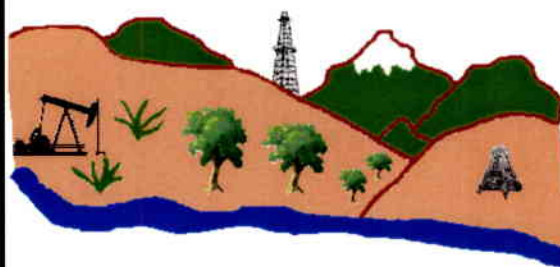


OPERATOR: SHENANDOAH (N4235)

SEC: 34 T7S R21E

FIELD: LEOTA (706)

COUNTY: UTAH SPACING: R649-3-3



Utah Oil Gas and Mining

Well Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Units Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- Sections.shp
- Township.shp
- Counties.shp



Prepared By: D. Mason
Date: 12-SEPTEMBER-2002

SHENANDOAH ENERGY INC.

11002 East 17500 South
Vernal, UT 84078
Phone: (435) 781-4300
Fax (435) 781-4329

September 16, 2002

Division of Oil, Gas & Mining
1594 W. N. Temple STE 1210
Salt Lake City, UT 84114-5801

To Whom It May Concern:

In reference to the State Oil and Gas Conservation rule R649-3-3 Shenandoah Energy Inc. Stirrup Unit 8W-34-7-21 is an exception location due to topography.

There are no additional lease owners with 460' of the proposed location. If you have any question please contact Raleen Searle @ (435) 781-4309.

Thank you,



Raleen Searle
Regulatory Affairs Analyst

RECEIVED

SEP 18 2002

DIVISION OF
OIL, GAS AND MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

September 19, 2002

Shenandoah Energy Inc.
11002 E 17500 S
Vernal, UT 84078


Re: Stirrup Unit 8W-34-7-21 Well, 1739' FNL, 537' FEL, SE NE, Sec. 34, T. 7 South,
R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34707.

Sincerely,


for John R. Baza
Associate Director

pb

Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Shenandoah Energy Inc.
Well Name & Number Stirrup Unit 8W-34-7-21
API Number: 43-047-34707
Lease: UTU-16551

Location: SE NE Sec. 34 T. 7 South R. 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

June 9, 2003

QEP Uinta Basin, Inc.
1050 17th Street, Suite 500
Denver, Colorado 80265

Re: Stirrup Unit
Uintah County, Utah

Gentlemen:

On May 30, 2003, we received an indenture dated February 1, 2003, whereby Shenandoah Energy, Inc. changed its name and QEP Uinta Basin, Inc. was designated as Successor Unit Operator for the Stirrup Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective June 9, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under Stirrup Unit Agreement.

Your nationwide (Eastern States) oil and gas bond No. B000024 will be used to cover all operations within the Stirrup Unit.

It is requested that you notify all interested parties of the name change of unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File – Stirrup Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT922:TAThompson:tt:6/9/03

3. FILE

005

Designation of Agent/Operator

Merger

2/1/2003

TO: (New Operator):

N2460-QEP Uinta Basin Inc

11002 E 17500 S

Vernal, UT 84078-8526

Phone: (435) 781-4341

Unit:

WELL(S)

[illegible]

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 6/2/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 6/2/2003
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/19/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 5292864-0151
5. If **NO**, the operator was contacted on:

6. (R649-9-2) Waste Management Plan has been received on:

IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 7/21/2003

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 7/21/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 9/11/2003

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 9/11/2003

3. Bond information entered in RBDMS on: n/a

4. Fee wells attached to bond in RBDMS on: n/a

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: 965-003-032

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: ESB000024

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 799446

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 965-003-033

2. The **FORMER** operator has requested a release of liability from their bond on: n/a

The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

006

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator
QEP - UINTA BASIN INC

Contact: RALEEN SEARLE
E-Mail: raleen.searle@questar.com

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435.781.4309
Fx: 435.781.4329

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 34 T7S R21E SWNE 1739FNL 537FEL

5. Lease Serial No.
UTU-16551

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA/Agreement, Name and/or No.
LEOTA

8. Well Name and No.
STIRRUP UNIT 8W-34-7-21

9. API Well No.
43-047-34707

10. Field and Pool, or Exploratory
LEOTA

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

QEP Uinta Basin, Inc. hereby requests an one year extension on the APD for the SU 8W-34-7-21.

COPY SENT TO OPERATOR
Date: 12-1-03
Initials: CWS

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 11-25-03

By: [Signature]

RECEIVED
NOV 25 2003
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #25351 verified by the BLM Well Information System
For QEP - UINTA BASIN INC, will be sent to the Vernal

Name (Printed/Typed) RALEEN SEARLE

Title REGULATORY AFFAIRS ANALYST

Signature (Electronic Submission)

Date 11/20/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ** DRAFT ****

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

CONFIDENTIAL

API: 43-047-34707
Well Name: SU 8W-34-7-21
Location: 1739' FNL, 537' FEL, SENE, SECTION 34, T7S, R21
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 9/19/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

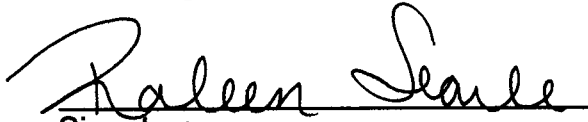
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

11/20/2003

Date

Title: REGULATORY AFFAIRS ANALYST

Representing: QEP UINTA BASIN, INC.

SEI (N4235) to QEP (N2460)

well_name	Sec	T	R	api DOGM	Entity		type	stat		unit_name
BRENNAN BOTTOM 1HG-	18	070S	210E	4304734565		Federal	OW	APD	C	BRENNAN BOTT
OU GB 1G-19-8-22	19	080S	220E	4304734696	13727	Federal	OW	DRL	C	GLEN BENCH EN
STIRRUP U 8W-34-7-21	34	070S	210E	4304734707		Federal	GW	APD	C	STIRRUP

RECEIVED

AUG 06 2004

FORM APPROVED
OMB NO. 1040-0138
Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BLM VERNAL, UTAH

008

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

TYPE OF WORK

DRILL ☒

DEEPEN ☐

TYPE OF WELL

☐

☒

☐

SINGLE ☒

MULTIPLE ☐

OIL WELL

GAS WELL

OTHER

ZONE

ZONE

2. NAME OF OPERATOR

QEP UINTA BASIN, INC.

Contact: John Busch

E-Mail: jbusch@questar.com

3. ADDRESS

11002 E. 17500 S. Vernal, Ut 84078

Telephone number

Phone 435-781-4341 Fax 435-781-4323

4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements")

At Surface

SENE 1739 FNL 537 FEL

At proposed production zone

14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*

16 +/- FROM REDWASH, UTAH

15. DISTANCE FROM PROPOSED LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(also to nearest drlg, unit line if any)

537' +/-

16. NO. OF ACRES IN LEASE

2320

18. DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft

1000' +/-

19. PROPOSED DEPTH

8904 MD

8904 TVD

20. BLM/BIA Bond No. on file

ESB000024

21. ELEVATIONS (Show whether DF, RT, GR, ect.)

5103 KB

22. DATE WORK WILL START

ASAP

23. Estimated duration

10 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan

3. A surface Use Plan (if location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification.

6. Such other site specific information and/or plans as may be required by the authorized officer.

SIGNED

John Busch

Name (printed/typed) JOHN BUSCH

DATE August 4, 2004

TITLE

Operations

(This space for Federal or State office use)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

APPROVAL DATE

Application approval does not warrant or certify the applicant holds any legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

CONDITIONS OF APPROVAL, IF ANY:

APPROVED

[Signature]

TITLE

Assistant Field Manager
Mineral Resources

*See Instructions On Reverse Side

Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

08/11/2004

RECEIVED

AUG 23 2004

DIV. OF OIL, GAS & MINING

UDOGM

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP - Uinta Basin, Inc.

Well Name & Number: SU 8W-34-7-21

API Number: 43-047-34707

Lease Number: UTU - 16551

Location: SENE Sec. 34 TWN: 7S RNG: 21E

Agreement: Stirrup WS MV D

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. **DRILLING PROGRAM**

1. **Casing Program and Auxiliary Equipment**

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at $\pm 3,428$ ft.

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

A certified paleontologist shall be onsite to monitor the construction of the well location.

The topsoil shall be windrowed between corners 6 and 8 rather than as shown on the cut sheet.

No construction or drilling shall be allowed when soils are wet and muddy.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL	5. Lease Serial No. UTU16551	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name	
2. Name of Operator SHENANDOAH ENERGY INC		Contact: JOHN BUSCH E-Mail: john.busch@questar.com	7. If Unit or CA Agreement, Name and No. UTU80250D	
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526		3b. Phone No. (include area code) Ph: 435.781.4341 Fx: 435.781.4323	8. Lease Name and Well No. SU 8W-34-7-21	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENE 1739FNL 537FEL At proposed prod. zone		9. API Well No. 43-047-34707-00-X1		
14. Distance in miles and direction from nearest town or post office* 16 +/- MILES FROM REDWASH, UTAH		10. Field and Pool, or Exploratory LEOTA		
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 537' +/-		11. Sec., T., R., M., or Blk. and Survey or Area Sec 34 T7S R21E Mer SLB SME: BLM		
16. No. of Acres in Lease 2320.00		12. County or Parish UINTAH		13. State UT
17. Spacing Unit dedicated to this well 40.00		18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +/-		
19. Proposed Depth 8904 MD 8904 TVD		20. BLM/BIA Bond No. on file ESB000024		
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5103 KB		22. Approximate date work will start 10 DAYS		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|--|--|
| 1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer. |
|--|--|

25. Signature (Electronic Submission)	Name (Printed/Typed) JOHN BUSCH	Date 09/09/2002
Title OPERATIONS REPRESENTATIVE		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) HOWARD B CLEAVINGER II	Date 08/11/2004
Title AFM FOR MINERAL RESOURCES	Office Vernal	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #13324 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WALKER on 09/11/2002 (02LW1674AE)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 8904' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 and 24 East.

See Onshore Order No. 1 attached

Please be advised that Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. U-0969. The principal is Shenandoah Energy Inc. via surety as consent as provided for the 43 CFR 3104.2.

Revisions to Operator-Submitted EC Data for APD #13324

	Operator Submitted	BLM Revised (AFMSS)
Lease:	UTU-16551	UTU16551
Agreement:	LEOTA UNIT	UTU80250D
Operator:	SHENANDOAH ENERGY INC. 11002 E. 17500 S. VERNAL, UT 84078 Ph: 435.781.4341 Fx: 435.781.4323	SHENANDOAH ENERGY INC 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4300 Fx: 435.781.4329
Admin Contact:	JOHN BUSCH OPERATIONS 11002 E. 17500 S. VERNAL, UT 84078 Ph: 435.781.4341 Fx: 435.781.4323 E-Mail: jbusch@shenandoahenergy.com	JOHN BUSCH OPERATIONS REPRESENTATIVE 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4341 Fx: 435.781.4323 Cell: 435.828.8736 E-Mail: john.busch@questar.com
Tech Contact:		
Well Name: Number:	STIRRUP UNIT 8W-34-7-21	SU 8W-34-7-21
Location: State: County: S/T/R: Surf Loc:	UT UINTAH Sec 34 T7S R21E Mer SLB SENE 1739FNL 537FEL	UT UINTAH Sec 34 T7S R21E Mer SLB SENE 1739FNL 537FEL
Field/Pool:	LEOTA	LEOTA
Bond:	U-0969	ESB000024

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: QEP - Uinta Basin, Inc.

Well Name & Number: SU 8W-34-7-21

API Number: 43-047-34707

Lease Number: UTU - 16551

Location: SENE Sec. 34 TWN: 7S RNG: 21E

Agreement: Stirrup WS MV D

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. **DRILLING PROGRAM**

1. **Casing Program and Auxiliary Equipment**

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Green River Formation, identified at $\pm 3,428$ ft.

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

A certified paleontologist shall be onsite to monitor the construction of the well location.

The topsoil shall be windrowed between corners 6 and 8 rather than as shown on the cut sheet.

No construction or drilling shall be allowed when soils are wet and muddy.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

009

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
QEP UINTA BASIN, INC.

3. ADDRESS OF OPERATOR:
11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-4341

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1739' FNL 537' FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 34 7S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the SU 8W-34-7-21.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 08-30-04
By: *[Signature]*

COPY SENT TO OPERATOR
Date: 9-1-04
Initials: *[Signature]*

NAME (PLEASE PRINT) John Busch

TITLE Operations

SIGNATURE *John Busch*

DATE 8/24/2004

(This space for State use only)

RECEIVED
AUG 27 2004
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34707
Well Name: SU 8W-34-7-21
Location: 1739' FNL 537' FEL SENE SEC 34 T7S R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 9/19/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

John Burch
Signature

8/24/2004
Date

Title: OPERATIONS

Representing: QEP UINTA BASIN, INC.

RECEIVED
AUG 27 2004
DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-16551

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

N/A

7. UNIT or CA AGREEMENT NAME:

STIRRUP UNIT

8. WELL NAME and NUMBER:

SU 8W-34-7-21

9. API NUMBER:

4304734707

10. FIELD AND POOL, OR WILDCAT:

LEOTA

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

QEP UINTA BASIN, INC.

3. ADDRESS OF OPERATOR:

11002 E. 17500 S.

CITY

VERNAL

STATE

UT

ZIP

84078-8526

PHONE NUMBER:

(435) 781-4331

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1739' FNL 537' FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 34 7 21

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: APD Extension

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the SU-8W-34-7-21.

Approved by the
Utah Division of
Oil, Gas and Mining

Date:

06-16-05

By:

COPY SENT TO OPERATOR

Date:

6-17-05

Initials:

C#0

NAME (PLEASE PRINT)

Jan Nelson

TITLE

Regulatory Affairs Analyst

SIGNATURE

Jan Nelson

DATE

6/9/2005

(This space for State use only)

RECEIVED

JUN 16 2005

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34707
Well Name: SU 8W-34-7-21
Location: SENE 1739' FNL 537' FEL SEC. 34, T7S, R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 9/19/2002

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

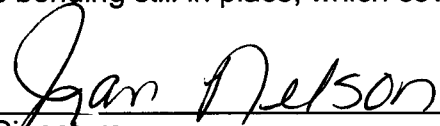
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

6/13/2005

Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN, INC.

RECEIVED

JUN 16 2005

DIV. OF OIL, GAS & MINING



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

July 25, 2006

Jan Nelson
QEP Uintah Basin Inc.
11002 E. 17500 S.
Vernal, UT 84078

Re: APD Rescinded –Stirrup Unit 8W-34-7-21 Sec. 34, T. 7S R. 21E
Uintah County, Utah API No. 43-047-34707

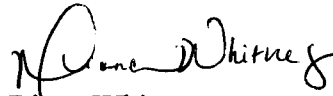
Dear Ms. Nelson:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on September 19, 2002. On November 25, 2003, August 30, 2004 and June 16, 2005, the Division granted a one-year APD extension. On July 19, 2006, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective July 19, 2006.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Vernal



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:

3160

UT08300

August 18, 2006

43-647-34707

Jan Nelson
QEP-Uinta Basin, Inc.
11002 East 17500 South
Vernal, UT 84078

Re: Notification of Expiration
Well No. Stirrup Unit 8W-34-7-21
SENE, Sec. 34, T7S, R21E
Uintah County, Utah
Lease No. UTU-16551
Stirrup WS MV D

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on August 11, 2004. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until August 11, 2006. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Leslie Wilcken

Leslie Wilcken
Land Law Examiner

cc: UDOGM

RECEIVED

SEP 01 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir

Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
Oil Gas
☐ Well ☒ Well ☐ Other

2. Name of Operator
QEP UINTA BASIN, INC.

Contact: Jan Nelson
Email: Jan.Nelson@questar.com

3. Address and Telephone No
11002 E. 17500 S. VERNAL, UT 84078-8526

(435) 781-4331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SENE 1739' FNL 537' FEL SECTION 34, T7S, R21E

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA, Agreement Designation
STIRRUP UNIT

8. Well Name and No.
SU 8W-34-7-21

9. API Well No.
43-047-34707

10. Field and Pool, or Exploratory Area
LEOTA

11. County or Parish, State
UINTAH, UTAH

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>APD Extension</u>	<input type="checkbox"/> Dispose Water

(Note) Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the SU 8W-34-7-21.

RECEIVED

SEP 09 2005

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct.

Signed Jan Nelson

Title Regulatory Affairs Analyst

Date 06/09/2005

(This space for Federal or State office use)

Approved by:

Title

Petroleum Engineer

Date

AUG 08 2005

Conditions of approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

UDOGM

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34707
Well Name: SU 8W-34-7-21
Location: SENE 1739' FNL 537' FEL SEC. 34, T7S, R21E
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 8/11/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

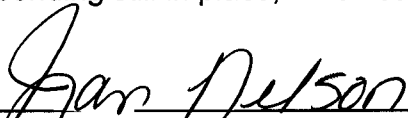
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

6/13/2005

Date

Title: Regulatory Affairs Analyst

Representing: QEP UINTA BASIN, INC.

CONDITIONS OF APPROVAL

QEP Uinta Basin Inc.

Notice of Intent APD Extension

Lease: UTU-16551
Well: SU 8W-34-7-21
Location: SENE Sec 34-T7S-R21E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 08/11/06
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490